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RUCNSAD/SOUTHERN AFRICAN DEVELOPMENT COMMUNITY

UNCLAS SECTION 01 OF 03 HARARE 000972

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EB/OIA:JAMES ROLLENS, L/CID:EEDAUGHTRY, M/R:MCOFFEY,  
AF/EP: AADLER, CA/OCS:EBETANCOURT, EB/CBA:NSMITH-NISSELY,  
SCA/RA:LBLEE, USDOC:ELEVY, TREAS:GCHRISTOPOLIS, H:ABOTTI,  
S/ES-O:CRTRIBBLE, USTR:EDUNLAP, OPIC:RHORANBURG

E.O. 12958: N/A  
TAGS: [EINV](#) [KIDE](#) [OPIC](#) [CASC](#) [PGOV](#)  
SUBJECT: 2006 REPORT ON INVESTMENT DISPUTES AND  
EXPROPRIATION CLAIMS-ZIMBABWE

REF: STATE 060294

1. The US Government is aware of eight (8) claims of US persons which may be outstanding against the Government of Zimbabwe (GOZ). All eight claims arise out of the GOZ's Land Resettlement Program, which commenced in 2000. The general pace of land seizure has slowed, as very few non-indigenous commercial farmers are left on their properties. Nevertheless threats of seizure by individuals and government officials are unabated and disruptions to the operation of the remaining non-indigenous commercial farmers are frequent. In the past year, the case of one additional American property owner (Claimant H) who has been threatened with expropriation came to post,s attention.

Under its continuing Land Resettlement Program, the GOZ has targeted almost all farm or wildlife property owned by non-indigenous landowners for compulsory acquisition. The GOZ has consistently maintained that no compensation will be made for land itself, but that compensation will be made for improvements to the property. However, to date, the GOZ has not compensated any American claimants for either acquired property or improvements to property. Disruptions posed by land reform and the economy's generally chaotic conditions complicate meaningful valuation of the land or of any improvements made. However, the values of the eight American citizen claimants properties at issue range from \$100,000 to more than \$2,000,000.

In 2005, Parliament amended the constitution to grant title to the government of all agricultural land acquired in the past under the land reform program and any agricultural land that may be acquired in the future. The amendment removed the right of landowners, whose land has been acquired, to challenge the acquisition in court. There has been no progress either on the ground or in the courts to resolve compensation issues for the American-owned properties. Because of judicial and political chaos during the land seizures, it is difficult to state precisely when most of the eight landowners were legally dispossessed. Therefore, the dates of expropriation offered below are approximations only.

All eight properties have received either Preliminary or Final Notices of Acquisition from the GOZ. Most of the American citizens affected have not asked the Embassy to intervene beyond raising the issue of compensation with appropriate GOZ officials in our normal course of meetings and through diplomatic notes.

2. Claimant List

a. Claimant A

b. 2002

c. Claimant A reported that his property had been invaded by approximately eight war veterans, and that a prosperous and connected Zimbabwean was grazing his cattle on the property. Approximately 60 saibes had been released from a grazing pen and had subsequently disappeared ) either escaped from the property or poached. Post has not had contact with Claimant A in the past year.

a. Claimant B

b. 2002

c. Claimant B had an 85-hectare flower)exportin farm that was listed for compulsory acquisitionby the GOZ under an initial notice of acquisition (Section 5 notice). In 2004 the Mashonaland East Governor signed a "delisting" form, but the Local Government and Land Ministries refused to assent. Claimant B then attempted to sell his property to the nephew of the Chief Justice of Zimbabwe's Supreme Court, but the sale fell through as the nephew reneged on payment. Claimant B is off the farm, and the Commander of the Zimbabwe Defence Forces, General Constantine Chiwenga, currently farms the land. Post has not had contact with the claimant in the past year.

a. Claimant C

b. 2003

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c. Claimant C, received a final notice of acquisition (Section 8 notice) in January, 2003 Claimant C purchased the 7,618-hectare property in 1985 with Zimbabwe Investment Center (ZIC) certificates to run a hunting and photographic safari business. The property is part of a 17-farm, 80,000 hectare private wildlife conservancy that receives donor funding for the conservation of black rhinos. However poaching in recent years has reduced the black rhino population from 55 to 22 and jeopardized donor funding. The conservancy owners are being harassed by some members of the local population, who are demanding a revenue share in the conservancy. Claimant C has stopped his safari business as he claimed invaders had poached all of the game. Claimant C had been protesting the acquisition through Zimbabwe's courts. After receiving permanent residency in South Africa, Claimant C was laying the groundwork to emigrate but, at last contact, was unable to secure the proper documentation to move personal belongings out of Zimbabwe. Post has not had contact with the claimant in the past year, but has been kept abreast of developments in the conservancy by a third party.

a. Claimant D

b. 2002

c. Claimant D's rural wildlife-based property, which was transferred from a Zimbabwean spouse to a trust benefiting the couple's two US citizen children, is located in the district of Hwange. Claimant D used the 420-hectare property primarily for hunting and photographic safari purposes. The property was allocated to a Zimbabwean settler who has done nothing with the land. Claimant D left the farm on October 1, 2002 and the settler kicked off all of Claimant D's employees by March 2004. Claimant D has asked the Embassy not to pursue this case through official channels. Post has had no contact with Claimant D in the past year.

a. Claimant E

b. n/a

c. Claimant G has received a Section 5 notice but is still in possession of the property in the district of Bikita in southern Zimbabwe. This property is dedicated to a 26-farm wildlife conservancy containing both black and white rhinos. The GOZ has announced plans to implement a land tenure scheme whereby title of conservancies reverts to the State, which then grants a 25-year lease to each property owner. In return, the current owners would agree to indigenize their businesses through shareholder equity. The 25-year leases would be automatically renewable, but not transferable. Claimant E, along with other conservancy members, continues to negotiate a solution with the GOZ. Ambassador Dell raised Claimant E's case with Environment and Tourism Minister Francis Nhema, who indicated that he would like to see Claimant E and the rest of the conservancy join the Trans-Frontier Conservation Area (a park linking tracts in Zimbabwe, Mozambique, and South Africa). Claimant E regularly keeps the Embassy abreast of the status of negotiations. Claimant E has not sought further Embassy advocacy.

a. Claimant F

b. 2004

c. Claimant F owns a 996-hectare farm in his American wife's name after Claimant F's son ran the farm into bankruptcy. Claimant F does not have a Zimbabwe Investment Certificate. Claimant F was able to move much of his irrigation and farm equipment off the property prior to losing control of the farm but lost 170 head of cattle. Settlers first arrived on the farm in 2000 but Claimant F maintained good relations with them and local police, and he continued to have access to the farm until 2004. From May to July 2004, Claimant F received Section 5 and Section 8 notices of acquisition and asked the Embassy to write a diplomatic note protesting the intended acquisition. The Embassy did so and received a pro forma response. Shortly thereafter, Claimant F was no longer afforded access to the farm and effectively dispossessed of the land. There have been no further developments on the ground and Claimant F decided not to use the courts as the GOZ was not enforcing judgments adverse to its own interests. Post has had no contact with Claimant F in the past year.

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a. Claimant G

b. N/A

c. Registered in 1997, Claimant G is a subsidiary trust of a California-registered Non-Profit Religious Organization that planned to establish an environmental and life skills teaching center operating near Kadoma. Claimant G purchased the 160-hectare parcel in 1999 but has been unable to obtain a proper transfer of title. Nonetheless, in addition to having exclusive use of the land since 1999, Claimant G has the Agreement of Sale as proof of purchase. In November 2004, Claimant G received a Section 5 initial notice of acquisition, to which it responded in court as well as by correspondence to various Zimbabwean government entities. Claimant G also received a Section 8 notice of immediate acquisition, which it is contesting in the courts. Post has had no contact with Claimant G in the past year.

a. Claimant H

b. 2006

c. Claimant H informed the Embassy in April, 2006 that he was the owner, along with his non-American citizen parents, of a 33 hectare plot in Nyanga, Eastern Highlands. Claimant H resides in Mozambique; his parents reside on the Nyanga site, where they grow apples on part of the plot and sell them in the local market. Although the plot is registered as a

residential and not agricultural property, it was recently gazetted (Section 5 initial notice of acquisition) for takeover. Claimant H and his parents are contesting the notice. Claimant H has not requested assistance from the Embassy.

The claimant has not provided the Embassy with any documentation to corroborate the claim. In addition, in light of the likely one-third US-person ownership, it is not clear that the claim qualifies under the definition of &US person.<sup>8</sup>

### 13. Claimants' names - Harare update to Section 527 report

Claimant A: William Holmes Taylor IV and two sons, all American citizens, with property owned in trust by Emblehope Enterprises (Pvt.) Ltd., a Zimbabwean entity. Taylor and his two sons are the primary beneficiaries. No PAW signed.

Claimant B: Edward Galante, an American citizen, with the property owned by Machera Farming Enterprises (Pvt.) Ltd., a Zimbabwean entity. Galante and his two AmCit children are the primary beneficiaries. No PAW signed.

Claimant C: Sam and Janet Chambliss, both American citizens. The property is owned by Twin Springs Conservancy (Pvt.) Ltd. With Sam and Janet Chambliss as the sole shareholders. No PAW signed.

Claimant D: Debbie Rabinovitch and minor children Diane and Desmond Rabinovitch, all American citizens. The property is owned by a Zimbabwean trust of which Diane and Desmond are the beneficiaries. No PAW signed.

Claimant E: Weldon and Kathy Schenck, both American citizens. The property is owned by a Zimbabwean trust due to interrelated obligations of conservancy landowners. No PAW signed.

Claimant F: Terry and Joan Ryan, husband is Zimbabwean and wife is American citizen. The property is owned under J.T. Management Consultancy (Pvt.) Ltd. No PAW signed.

Claimant G: Lasting Impressions Wilderness Training Corporation, a registered California Non-Profit Religious organization, which wholly owns and controls The Lasting Impressions Trust, a Zimbabwean entity. Shelly Croudace, a director of The Lasting Impressions Trust is our contact and is an American citizen as well. No PAW signed.

Claimant H: Lance Edwards, an American citizen. The property is owned by himself, as far as we are aware, and his non-American parents. No PAW signed.

RAYNOR